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CITY OF LOS ANGELES
CALIFORNIA



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MAYOR

OFFICE OF
CITY CLERK
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HOLLY L. WOLCOTT
DIVISION HEAD

May 15, 2007

Honorable Members of the City Council
City Hall, Room 395
200 North Spring Street
Los Angeles, California 90012

Council District 4 ✓

**REGARDING: THE LARCHMONT VILLAGE (PROPERTY-BASED) BUSINESS
IMPROVEMENT DISTRICT'S 2007 FISCAL YEAR ANNUAL
PLANNING REPORT**

Honorable Members:

The Office of the City Clerk has received the Annual Planning Report for the Larchmont Village Business Improvement District's ("District") 2007 fiscal year (CF 06-2371). The owners' association of the District has caused to be prepared the Annual Planning Report for City Council's consideration. In accordance with Section 36600 et seq. of the California Streets and Highways Code ("State Law"), an Annual Planning Report for the District must be submitted for approval by the City Council. The Larchmont Village Business Improvement District's Annual Planning Report for the 2007 fiscal year is presented with this transmittal for City Council's consideration as "Attachment 1."

BACKGROUND

The Larchmont Village Business Improvement District was established on October 2, 2002 by and through the City Council's adoption of Ordinance No. 171,684, which confirmed the assessments to be levied upon properties within the District, as described in the District's Management District Plan. The City Council established the District pursuant to State Law.

ANNUAL PLANNING REPORT REQUIREMENTS

The State Law requires that the District's owners' association shall cause to be prepared, for City Council's consideration, an Annual Planning Report for each fiscal year for which assessments are to be levied and collected to pay for the costs of the planned District improvements and activities. The Annual Planning Report shall be filed with the City Clerk and shall refer to the district by name, specify the fiscal year to which

the report applies, and, with respect to that fiscal year, shall contain all of the following: any proposed changes in the boundaries of the district or in any benefit zones within the district; the improvements and activities to be provided for that fiscal year; an estimate of the cost of providing the improvements and the activities for that fiscal year; the method and basis of levying the assessment in sufficient detail to allow each real property owner to estimate the amount of the assessment to be levied against his or her property for that fiscal year; the amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and the amount of any contributions to be made from sources other than assessments levied.

The attached Annual Planning Report complies with the requirements of the State Law and reports that programs will continue, as outlined in the Management District Plan adopted by the District property owners. The City Council may approve the Annual Planning Report as filed by the District's owners' association or may modify any particulars contained in the Annual Planning Report, in accordance with State Law, and approve it as modified.

FISCAL IMPACT

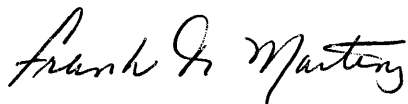
There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

That the City Council:

1. FIND that the attached Annual Planning Report for the Larchmont Village Business Improvement District's 2007 fiscal year complies with the requirements of the State Law.
2. ADOPT the attached Annual Planning Report for the Larchmont Village Business Improvement District's 2007 fiscal year, pursuant to the State Law.

Sincerely,



Frank T. Martinez
City Clerk

FTM:KEK:HLW:MCP:RMH:dv

Attachment: Larchmont Village Business Improvement District's 2007 Fiscal Year
Annual Planning Report

Larchmont Village Property Owners Association
200 North Larchmont Boulevard
Los Angeles, California 90004-3707

Phone (323) 463-4220
Fax (323) 463-4412

Attachment 1

RECEIVED

MAY 02 2007

ADMIN SVCS

OFFICERS:

April 30, 2007

Thomas E. Kneafsey,
President

Joane Henneberger,
Secretary Treasurer

Mary Frances Fenady,
Chief Financial Officer

Holly L. Wolcott, Chief
Administrative Services Division
Office of the City Clerk
200 North Spring Street, Room 224
Los Angeles, CA 90012

RE: The Larchmont Village Business Improvement District 2007
Annual Planning Report

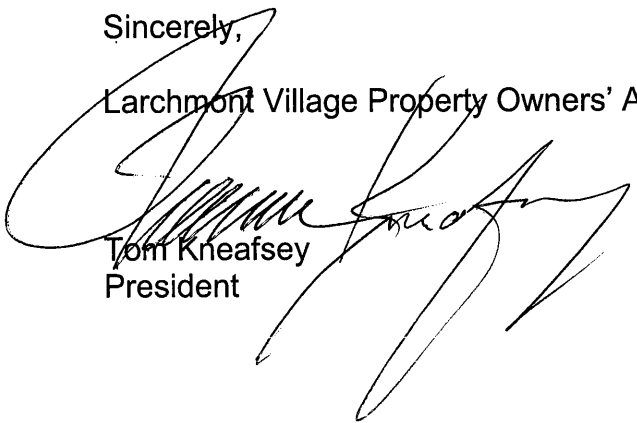
Dear Ms. Wolcott:

As required by the Property and Business Improvement District Law of 1994, California Street and Highways Code Section 36650, the Board of the Larchmont Village Property Owners' Association has caused this Larchmont Village Business Improvement District Annual Planning Report to be prepared. The Annual Planning Report was approved on December 11, 2006

This report covers proposed activities from January 1, 2007 through and including December 31, 2007.

Sincerely,

Larchmont Village Property Owners' Association


Tom Kneafsey
President

Larchmont Village Property Owners Association

200 North Larchmont Boulevard

Los Angeles, California 90004-3703

Phone (323) 463-4220

Fax (323) 463-4412

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2007 APR -6 PM 2:11
ADMINISTRATIVE
SERVICES DIVISION

April 3, 2007

Ms. Donna Vong
Administrative Services
Office of the City Clerk, Room 224
200 North Spring Street
Los Angeles, CA 90012

Dear Ms. Vong:

**Re: Activity and Budget Report for Fiscal Year 2006 and Annual Planning
Report for Fiscal Year 2007**

As required by Section 2 (B) of the Agreement between the City of Los Angeles and the Larchmont Village Property Owners Association, this submittal constitutes the Activity Report for the Year IX (Fiscal Year 2006) of the Larchmont Village Business Improvement District, and the Budget Report for Year X (Fiscal Year 2007).

The Larchmont Village property-based Business Improvement District (LVPBID), a two block long (1 single, uninterrupted block) corridor, is located within the heart of historic Larchmont Village, bounded on the north by Beverly Boulevard and on the south by First Street. Larchmont Village attracts thousands of tourists each year by its graceful, charming ambience, and also, with its broad range of retail destinations, serves the day-to-day shopping needs of the surrounding residential neighborhood.

The LVPBID was established by City Council ordinance on August 5, 1997. Its first year of operations (and fiscal year) commenced on January 1, 1998 with a Year 1 budget of \$40,000 to accomplish the following activities, which addressed the priorities within the Management Plan. On October 2, 2002 the Larchmont Village Business Improvement district was renewed for a period of 10 years, January 1, 2003 to and including December 31, 2012. The first year's budget for the renewal period is \$65,000 and the projected budget for 2005 is \$69,000.

In broad terms, the purpose and focus of the LVPBID was to upgrade the exterior environment for shoppers, tourists, business owners and their employees. Specifically, this focus included maintaining, as budget allowed, the surface of the sidewalks with regular pressure cleaning; annual trimming of the ficus trees; providing a sidewalk porter at least one day a week to keep the sidewalks and gutters free of litter; and, on a phased, multi-year schedule, carry out repairs of the sidewalk where the ficus tree roots had caused severe and hazardous buckling. Security was added to this activity for the renewal of the BID.

2006 (4th Quarter) Activities

Maintenance

Sidewalk Maintenance: The LVBID continued a contract throughout this quarter for monthly pressure cleaning of the east and west side of Larchmont Boulevard between 1st Street and Beverly Blvd. The vendor is The Resource Collection, who is also responsible for pressure cleaning the lids on the sidewalk trash receptacles on the 2nd Tuesday of each month. This also includes the contract for a 3-yard trash container that is placed in the City parking lot and used by the porter for trash collection.

Sidewalk Porter: The LVBID continued a contract throughout this year for weekly sidewalk porter service from a single individual who works under close supervision of the merchants. The porter services the Boulevard, picking up litter on the sidewalks and from around the receptacles, every Saturday between 11:00 am and 3:00 pm. Starting in the 4th quarter 2004 the porter hours have been increased to include 2 hours on Sunday, 12 noon to 2 pm and on Thursdays 12 noon to 4 pm.. The is a result of the increased traffic due to the farmers market operating in the City parking lot from 10AM to 2PM on Sundays only.

Maintenance Supplies: This is a new budget item that was included in Year III. The BID reimburses the Larchmont Boulevard Association (LBA) for trash bin liners and bags that are provided to Consolidated Disposal Services. The BID also provides supplies for the porter service above.

Independent Contractor Trash Collection: The LBA contracts with Consolidated Disposal Services to empty the trash containers six days a week (Sundays excluded). The BID contributes to the cost of supplying the replacement trash bags. Due to the fact that no one else is willing to bid on this service and after a meeting with Consolidated it was agreed that the contract with Consolidated will continue.

Tree Trimming: The LVBID assumed the responsibility of trimming the district's 45 mature ficus trees and 1 palm tree to ensure trimming was accomplished to the City's specifications, and to ensure aesthetic consistency. The trees are pruned in the last quarter of each year. Due to budgetary constraints the BID chose to put off tree trimming until next year.

Sidewalk Repair: Beyond instituting regular maintenance of the sidewalks and trees, the management Plan noted the need to correct physical hazards on the sidewalks that had been caused by uplifted tree roots, which created a very real liability risk to the adjoining property owners and the City of Los Angeles.

Based upon a consulting study that was performed in 1998, a First Phase of repair was designated, consisting of approximately 1,800 sq. ft of sidewalk on the northeast side of Larchmont Boulevard. This work included root treatment for six trees, installation of

root barriers and installation of new sidewalk. The Resource Collection was retained to undertake the First Phase of sidewalk repair.

Although the First Phase work was engineered during fiscal year 1999, the actual construction and root treatment did not begin until January 2000. Over a period of six weeks, the sidewalk was removed, tree roots trimmed under the supervision of the City Department of Street trees, root barriers were installed around 3 sides of each tree, and new sidewalk installed. The work was coordinated with the City Department of Transportation who oversaw the removal and reinstallation of parking meters, the Department of Public Works who inspected the sidewalk removal and reinstallation, and the Department of Street Trees.

Sections A and B were completed in Year III and Section C was completed during 2001. In 2002 repairs were undertaken at two locations, 119 N. Larchmont (Coldwell Banker building) and 223 to 225-1/2 N. Larchmont (Wine shop, Noni & Girasole). The property owners paid \$19,675.00 and the BID paid for the City 10' portion at a cost of \$13,093.00.

A bid was received from RGA Construction. for the repairs of damaged sidewalks from 131 N. Larchmont through 141-1/2 N. Larchmont. This consists of 136 lineal feet of sidewalk frontage. The total cost of the project was \$25,000 of which the BID will be responsible for \$17,000. The work was completed in the last quarter at a total cost \$21,759.50 with two property owners reimbursing the BID for work done on their 5' setback in the amount of \$8,075.81 for a net cost to the BID of \$13,683.69.

The sidewalk in front of 217 N. Larchmont, this is just north of the City surface parking lot, was removed and a new sidewalk put in. The damaged sidewalk was due to the ficus tree on the City sidewalk. The new sidewalk was and area of 393 sq. ft. and the total cost was \$5,500. The owner's portion was \$2,700 and the BID portion was \$2,800. The work was completed in April, 2005.

Additional sidewalk repairs were planned for the 4th quarter of 2005 but this was not done because of the BID's inability to get the City to waive permit fees. No sidewalk repairs were done in 2006. There are 3 areas that are in dire need of repair.

During the 2nd quarter 2006 a contract has been signed to clean out the tree wells and fill the areas with black lava rock. This work was performed at a cost of \$7,827.22 and it has been very effective. No other sidewalk repairs are scheduled for this fiscal year.

Insurance

Directors and Officers insurance premiums are paid in the 2nd quarter of each year.

Adm./Mgt Services

Metropolitan Holding Company provides the day to day management of the BID and charges \$350 per month.

Sidewalk Security

This is a new category for the renewed BID. The merchant's association had been paying for a part time security guard who provided both safety and assisted people that had problems because of the uneven sidewalks caused by the ficus tree roots. The BID agreed to help with the cost of the security guard, which was started with the holiday season, Christmas 2002. The total budget for this category is an annual of \$24,000. The BID contributes \$20,000. However, due to budgetary constraints this year the BID will only be able to contribute \$15,000.

Contingency & Reserve

The BID has been receiving an annual donation of \$1,000.00 from the Dept. of Water & Power for holiday decorations. This money is passed on to the LBA due to the fact that they are the ones that provide the decorations.

2007 (Year X) Projected Activities

Revenues

The anticipated Year IX Assessment Revenue projection is \$71,784 with a projected collection total of \$68,193.

Activities

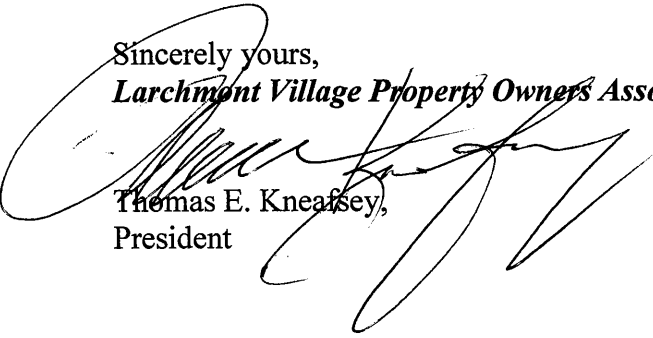
Year X (2007) activities will largely represent a continuation of activities begun in 1998 with the exception of adding a part time security guard to the boulevard. This was approved by the property owners with the renewal of the BID for a new term of 10 years.

Conclusion

Thank you for your assistance throughout the last 9 years of the LVPID's operation and Larchmont Property Owners Association looks forward to the next 6 years of success in this program. Your office has been very helpful in guiding this volunteer program as has been the case with the assistance of our new 4th District Councilman, Tom LaBonge.

BUDGET LINE ITEM	ANNUAL BUDGET 2006	AMOUNT SPENT THIS QUARTER 10/1/06-12/31/06	AMOUNT SPENT YEAR TO DATE 1/01/06-12/31/06	PROJECTED SPENDING FOR NEXT QUARTER 1/1/07-3/31/07
Security	\$15,000.00		\$15,000.00	\$0.00
Sidewalk and trash bin maintenance	\$38,054.00	\$10,558.46	\$38,867.55	\$9,400.00
Tree Pruning	\$11,000.00	\$0.00	\$0.00	\$0.00
Sidewalk repairs	\$5,000.00	\$0.00	\$7,827.22	\$0.00
Adm/Operating expenses	\$9,300.00	\$1,267.98	\$10,764.44	\$1,050.00
Contingency / Reserves	\$100.00	\$0.00	\$0.00	\$0.00
TOTAL	\$78,454.00	\$11,826.44	\$72,459.21	\$10,450.00

Sincerely yours,
Larchmont Village Property Owners Association


 Thomas E. Kneafsey,
 President

Attachment (1)

Larchmont Village Property Owners Assoc.
Profit & Loss
January through December 2006

	<u>Jan - Dec 06</u>
Income	
Donation	1,000.00
Interest Inc	116.32
Loan	1,000.00
PBID	66,394.22
Refund	12.00
Total Income	<u>68,522.54</u>
Expense	
Accounting	
CPA Review	1,875.00
Total Accounting	<u>1,875.00</u>
Adm Services	4,200.00
Bank Charge	115.46
Holiday Dec	1,000.00
Insurance	
Dir & Officers	2,370.00
Liability	2,000.00
Total Insurance	<u>4,370.00</u>
Janitorial	
Consolidated	14,004.00
Porter	13,435.00
Supplies	2,658.66
Total Janitorial	<u>30,097.66</u>
Loan Payback	1,000.00
Maintenance	
Steam Cleaning	7,154.16
Total Maintenance	<u>7,154.16</u>
Postage and Delivery	205.98
Reconciliation Discrepancies	15.00
Rubbish	1,085.72
Security	15,000.00
Sidewalks	
Repairs	7,827.22
Sidewalks - Other	1,200.00
Total Sidewalks	<u>9,027.22</u>
Tax	
State	10.00
Total Tax	<u>10.00</u>
Total Expense	<u>75,156.20</u>
Net Income	<u><u>-6,633.66</u></u>

Larchmont Village Property Owners Assoc.
Summary Balance Sheet
As of December 31, 2006

	<u>Dec 31, 06</u>
ASSETS	
Current Assets	
Checking/Savings	2,786.28
Total Current Assets	<u>2,786.28</u>
TOTAL ASSETS	<u><u>2,786.28</u></u>
LIABILITIES & EQUITY	
Equity	2,786.28
TOTAL LIABILITIES & EQUITY	<u><u>2,786.28</u></u>

LARCHMONT VILLAGE PROPERTY OWNERS ASSOCIATION **BUSINESS MEETING MINUTES**

**Larchmont Village
Property Owners Association**

**February 15, 2007
4th Quarter 2006**

The long awaited opening of Pink Berries has occurred and people are lined up to give it a try. As traffic picks up on the boulevard the problem of getting the trash picked up is an ever increasing problem. The LBA and the PBID are trying to get a replacement for the current vendor, Consolidated Waste Company that continues to miss on pick ups.

The PBID board met and agreed to the annual CPI increase in the PBID assessments which will be 3% for the coming year. The additional revenue will help with one of the boulevard's biggest problems today which is the trash issue.

The financials for the 4th Quarter 2006 are as follows:

BUDGET LINE ITEM	ANNUAL BUDGET 2006	AMOUNT SPENT THIS QUARTER 10/1/06-12/31/06	AMOUNT SPENT YEAR TO DATE 1/01/06-12/31/06	PROJECTED SPENDING FOR NEXT QUARTER 1/1/07-3/31/07
Security	\$15,000.00		\$15,000.00	\$0.00
Sidewalk and trash bin maintenance	\$38,054.00	\$10,558.46	\$38,867.55	\$9,400.00
Tree Pruning	\$11,000.00	\$0.00	\$0.00	\$0.00
Sidewalk repairs	\$5,000.00	\$0.00	\$7,827.22	\$0.00
Adm/Operating expenses	\$9,300.00	\$1,267.98	\$10,764.44	\$1,050.00
Contingency / Reserves	\$100.00	\$0.00	\$0.00	\$0.00
TOTAL	\$78,454.00	\$11,826.44	\$72,459.21	\$10,450.00

Addendum to the Larchmont Village Property and Business Improvement District's 2007 Annual Planning Report submitted by the Larchmont Village Property Owners' Association

District Boundary Changes for Fiscal Year 2007

There are no proposed changes in the boundaries within the Larchmont Village Property and Business Improvement District (District) for fiscal year 2007.

District Improvements and Activities for Fiscal Year 2007

The Improvements and Activities for fiscal year 2007 include: Sidewalk Cleaning, Sidewalk Porter, Sidewalk Supplies, Sidewalk Repair; Tree Trimming; Sidewalk Security; Administrative and Management Services; Insurance; and Miscellaneous costs.

Estimate Cost of District Improvements and Activities for Fiscal Year 2007

Maintenance

Sidewalk Cleaning	\$10,384 (incl. maintenance & sidewalk supplies)
Sidewalk Porter	\$11,400
Sidewalk Supplies	\$1,705 (incl. trash liners)
Trash Pick-up	\$9,900
Sidewalk Repair	\$2,000
Tree Trimming	\$11,000
Security	\$15,000
Admin/Mgt Services	\$5,800
Insurance	\$4,400
Miscellaneous	\$100

Total **\$71,689**

Method and Basis of Levying the District Assessment

The Method and Basis of levying the Annual Assessment is based on linear street frontage of each assessable parcel at a rate of \$33.06 (31.06) per linear foot of street frontage along North Larchmont Boulevard. In accordance with the CPI Index for the Los Angeles region, the District's Owners' Association approved an annual assessment rate increased of 3 percent (the maximum amount allowed by the District's Management District Plan) for fiscal year 2007.

Amount of Surplus or Deficit to be Carried Over from a Previous Fiscal Year

There is a surplus of \$3,475.68 to be carried forward into fiscal year 2007.
There are no deficit revenues to be carried forward from a previous fiscal year.

Contributions to the District from Other Sources

There are no contributions to the District from sources other than assessments levied for fiscal year 2007; with the exception of a \$1,000 annual contribution from the LA City Department of Water & Power

Larchmont Village Property Business Improvement District			
2006 Expenditures			
2007 Projected Budget			
	Fiscal Year 2006	Fiscal Year 2006	Fiscal Year 2007
	Annual Budget	Annual Expenditures	Annual Budget
<u>Statement of Activities</u>	<u>1/1/06 - 12/31/06</u>	<u>1/1/06 - 12/31/06</u>	<u>1/1/07 - 12/31/07</u>
Support and Revenue			
Projected Assessment	71,129.80		71,784.24
Assessment Revenue	69,000.00	66,394.22	68,192.88
Reimbursement			
Interest Income	50.00	100.73	50.00
Balance from Prior Year	\$9,439.94	9,439.94	\$3,475.68
Total Revenue	78,489.94	75,934.89	71,718.56
Expenses			
Sidewalk Cleaning	8,700.00	6,557.98	8,084.16
Sidewalk Daily Maintenance	1,200.00	1,200.00	1,300.00
Sidewalk Porter	12,250.00	13,435.00	11,400.00
Sidewalk Supplies	1,000.00	2,658.66	1,000.00
Trash Liners (LBA)	804.00	804.00	605.00
Trash Pick-Up	13,200.00	13,200.00	9,900.00
Trash Bin (parking lot)	900.00	1,011.91	1,100.00
Tree Trimming	11,000.00	0.00	11,000.00
Sidewalk Repair	5,000.00	7,827.22	2,000.00
Administrative (MHC)	4,200.00	4,200.00	4,200.00
Insurance	4,500.00	4,370.00	4,400.00
Adm./Mgt. Services	500.00	2,184.44	1,500.00
Taxes/Fees/Permits	100.00	10.00	100.00
Sidewalk Security	15,000.00	15,000.00	15,000.00
Miscellaneous	100.00	0.00	100.00
Total Expenses	78,454.00	72,459.21	71,689.16
Balance Remaining	35.94	3,475.68	29.40